Government of
Saskatchewan

Annual Report
1984-85

Saskatchewan
Liquor Board

86-01695/

The Honourable Frederick W. Johnson,
Lieutenant Governor of the
Province of Saskatchewan.

Dear Sir:

I have the honour to hereby transmit the annual report of the Saskatchewan Liquor Board for the year ending March 31, 1985.

Yours sincerely,

George McLeod,
Minister in Charge,
Saskatchewan Liquor Board.

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Regina, Saskatchewan
August 20, 1985

The Honourable G. McLeod,
Minister in Charge,
Saskatchewan Liquor Board.

I have the honour to submit pursuant to Section 222 of The Liquor Act the sixtieth annual report for the fiscal year ending March 31, 1985.

I wish to express my thanks to all of our employees for their support and good service throughout the year.

Respectfully submitted,

Martin Pederson

Martin Pederson
Chairman.

General Manager's Report

Even though volume sales were down in Saskatchewan, 1984/85 was a very busy year for our employees. The increase in activity resulted from more customer visits, an increase in the number of returned beer bottles handled at the stores, conversion from an electronic cash register to new computerized cash registers and further improvements to customer service.

Although Saskatchewan's adult population increased approximately 2%, the sales volume of spirits, our most profitable line, declined almost 7%. This decline was partially offset by modest growth in beer and wine sales. Dollar sales and operating income would have also declined had it not been for price increases triggered by higher federal taxes and increased beer prices. Wine prices continued to remain stable due to favorable exchange rates and the abundant 1983 grape harvest in France and Germany. This in turn kept a competitive pressure on domestic wine prices. The 1984 grape harvest was poor therefore increased wine prices are expected.

Most of our customers are now aware that our stores are being equipped with a computerized cash register system which we call RIMS (Retail Information Management System). RIMS keeps track of inventory and prices of every product in our stores. These features alone have eliminated both the need to price tag individual bottles and to count inventory after normal working hours resulting in significant cost savings. For the future our head office computer will communicate with these computerized cash registers so that we can retrieve and send information. This will provide us with productivity measures and more timely data for our payroll and accounting systems. It will also improve our stock ordering procedures which in turn should reduce inventory investment and stock out situations.

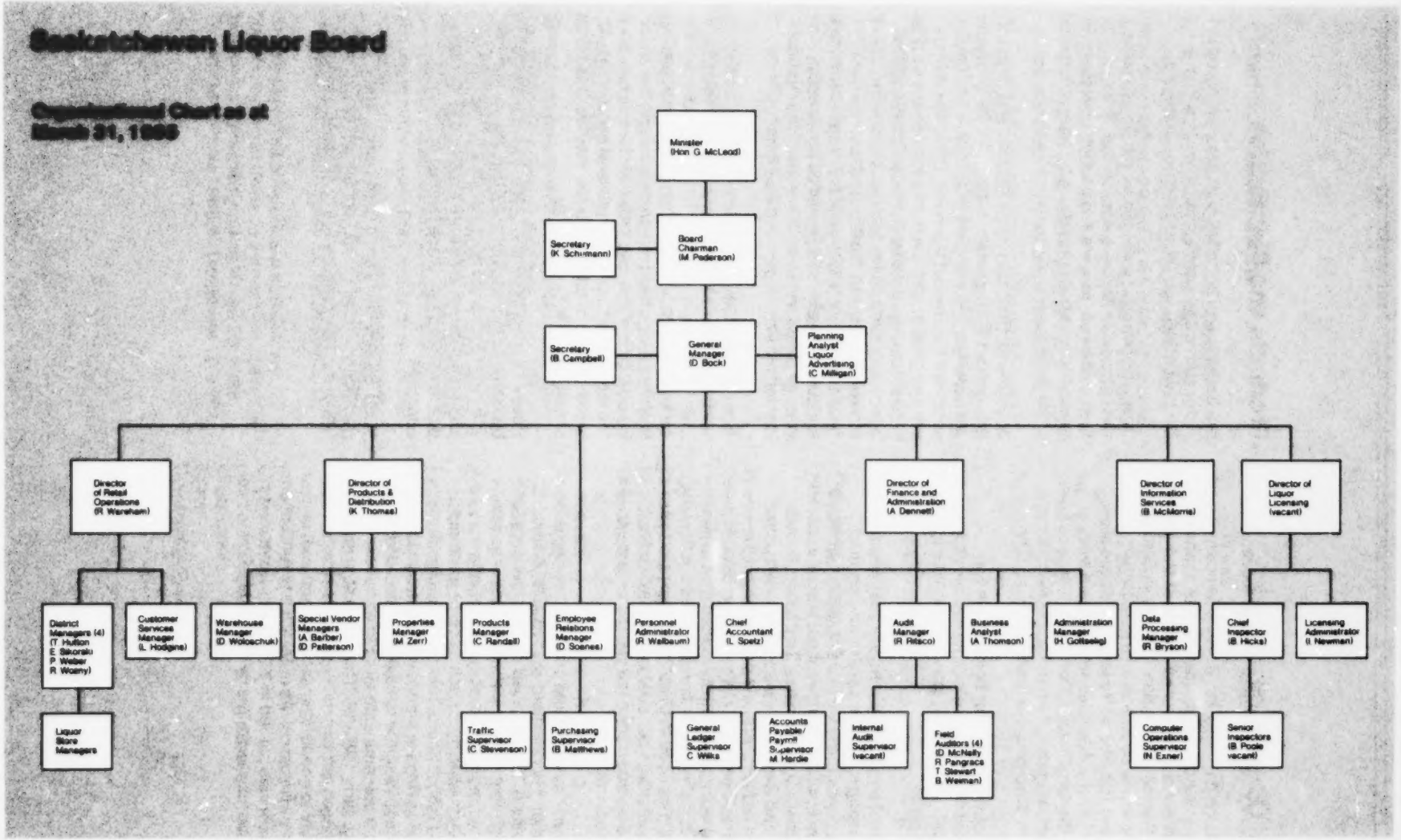
Following up on last years initiatives we have made further improvements in our product listings. Our general listings have grown by 9% from 970 to 1,060. In addition, we have replaced many poor selling product lines with others which we hope will be more popular with our customers. Some of the new listings are wine coolers which proved to be very popular last summer.

In order to provide the residents of smaller communities with similar service enjoyed by larger centers, 12 additional communities received Special Liquor Vendor appointments during 1984/85 bringing the total number of S.V.s to 158. This improvement in customer service was further enhanced when 26 S.V.s converted to self serve leaving only 57 in a restricted service mode.

None of these accomplishments and improvements would have been possible without the hard work and dedication of our employees. To them and their families my thanks and appreciation.

Saskatchewan Liquor Board

Organizational Chart as at March 31, 1986


Minister (Hon G McLeod)
Secretary (K Schumann)
Board Chairman (M Pederson)
Secretary (B Campbell)
General Manager (D Bock)
Planning Analyst Liquor Advertising (C Milligan)
Director of Retail Operations (R Wareham)
Director of Products & Distribution (K Thomas)
Director of Finance and Administration (A Dennett)
Director of Information Services (B McMorris)
Director of Liquor Licensing (vacant)
District Managers (4) (T Hutton E Skorski P Weber R Woeny)
Customer Services Manager (L Hodgins)
Warehouse Manager (D Woloschuk)
Special Vendor Managers (A Barber) (D Patterson)
Properties Manager (M Zerr)
Products Manager (C Randall)
Employee Relations Manager (D Soenes)
Personnel Administrator (R Walbaum)
Chief Accountant (L Spetz)
Audit Manager (R Ritsco)
Business Analyst (A Thomson)
Administration Manager (H Gottselig)
Data Processing Manager (R Bryson)
Chief Inspector (B Hicks)
Licensing Administrator (I Newman)
Liquor Store Managers
Traffic Supervisor (C Stevenson)
Purchasing Supervisor (B Matthews)
General Ledger Supervisor C Wilks
Accounts Payable/ Payroll Supervisor M Hardie
Internal Audit Supervisor (vacant)
Field Auditors (4) (D McNally R Pangracs T Stewart B Weiman)
Computer Operations Supervisor (N Exner)
Senior Inspectors (B Poole vacant)

Retail Operations

As of March 31, 1985, the Board was operating 85 liquor stores and 158 special vendor agencies. New self serve stores were opened at University Park in Regina and Lawson Heights in Saskatoon. A new licensee store was also established in Saskatoon to better serve local licencees. New Special Vendor Agencies were appointed in Abbey, Ceylon, Chaplin, Dorintosh, Kenosee Lake, Lashburn, Mistatim, Paddockwood, Rabbit Lake, Simpson, Tramping Lake, and Uranium City.

The Gravelbourg Liquor Board Store was converted from conventional to self-serve, leaving only eight conventional stores for service to the general public.

Significant emphasis during the year was placed on improving customer service and product display. Specifically we increased the number of products available in most of our stores, especially in our smaller communities. Two stores in both Regina and Saskatoon were designated permit stores in order to facilitate processing of permits in these large centres. In the area of product display our new listings are initially placed on a display booth indicating "New Arrivals". This booth along with the "Reduced to Clear" booth appear to be very popular with our customers. Similar display booths are used during the year to feature various other products.

The Board has embarked on implementing a Retail Information Management System (RIMS) into the store system. This involved placing computerized cash registers in stores. The machines are capale of pricing products, keeping track of inventory as well as gathering data such as sales, customer flow and labour hours. This provides significant potential savings in manpower and inventory investment. We hope to have our Head Office computer communicate directly with these cash registers early 1985/86. This will further enhance the management capability of the Board enabling managers to control both labour costs and inventory investment. As of March 31, 1985, the equipment was placed in 75% of the stores and should be fully operative by the fall of 1985.

Products and Distribution

Spirits, wine and imported beer are distributed to liquor stores and special liquor vendors from a central bonded warehouse located in Regina.

Domestic beer is distributed for the Board by the Saskatchewan Brewers Association. The Saskatchewan Brewers Association operates one central office which provides a 24 hour automated order system.

At year end, the Board had 1,060 general product listings and 280 specialty listings. These products are supplied to the Board by Canadian and foreign suppliers throughout the world. Specialty listings are designed to give the public a broader selection of products with a particular emphasis on wines. Specialty products are handled by the Albert South store in Regina and the Sturdy Stone store in Saskatoon. Specialty products are also available to the general public and licensees upon request through Board stores and Special Liquor Vendors located outside Regina and Saskatoon.

Again this year, major consumer buying trends were noticed in white tables wines and liqueurs.

As for domestic beer although sales increased only slightly major shifts took place amongst the various brands. One of the major reasons for this has been the move away from the traditional short stubby brown bottles to different bottle moulds plus screw or pull tab caps.

Prices for most domestic products are expected to be stable or increase slightly. Imports are subject to foreign exchange fluctuations and the German and French white wines are expected to increase due to a poor 1984 grape harvest in those countries.

1984/85 saw many spirit lines convert their traditional 710 ml (25 oz.) containers to 750 ml (26.4 oz.). This process will continue in 1985/86.

Financial Operations

Dollar sales increased by 4.6% to over $290 million while gross profit increased by a slightly lesser amount to over $133 million. As sales volumes were down overall the gains are mainly attributable to price increases. These increased prices were a result of:

- a 4.5% Excise tax increase September 1, 1984 following the 13.2% increase the previous year,
- increased beer prices from Saskatchewan Brewers,
- an October 1, 1984 increase in Federal Sales Tax.

The Board's collective bargaining agreement was not included until 1984/85. Accordingly, 1984/85 operating expenses reflect retroactive pay applicable to the 1983/84 year. The retroactive pay plus the negotiated pay increases account for the major portion of the 12.6% increase in operating costs.

All of the above resulted in a net income of over $112 million, a 1.7% increase over last year. $71 million was transferred to the Consolidated Fund, leaving Retained Earnings of almost $117 million.

Personnel

One of the major events was a September 1984 Labour Relation Board ruling to exclude 104 positions from the scope of the collective bargaining agreement. 84 of these positions were store manager classifications. The ruling will allow the Liquor Board to place a strong management presence in our stores which heretofore was lacking in many cases. Prior to this decision the Liquor Board provided extensive management training programs to ensure that our employees would be fully qualified and capable of continuing and assuming these newly excluded positions.

Shortly after the Labour Board decision we completed negotiations on a three year collective bargaining agreement ending March 29, 1986. This agreement was ratified December 10, 1984.

The breakdown of the number of staff as of March 31, 1985 was:

	Permanent	Part-time*
General Administration	8	0
Products and Distribution	33	3
Information Systems	5	1
Finance and Administration	38	4
Retail Operations	227	148
	311	156

* hours of over 500 part time people are expressed in full time equivalent positions.

Permits Issued

	1985/85	1983/84
Brewers Permits	3	3
Brewers Hospitality Suite Permits	3	3
Distillers Permits	1	1
Permits to Druggists, Physicians, etc.:		
— Druggists' sale and compounding permits	10	8
— Dentists' professional use	4	2
— Physicians' professional use	3	9
— Manufacturing and Scientific purposes	30	29
Permits to persons engaged in business of selling church supplies — sacramental wine	2	2
Special Occasion Permits issued:		
Individual and Organization — Non sale of liquor	12,490	12,694
Organization — sale of liquor	18,112	18,217
Community Event	438	332
	31,040	31,243

Liquor Board Stores
Special Liquor Vendors

Saskatchewan Liquor Board Stores as at March 31, 1985

Assiniboia

Battleford
Biggar
Broadview
Buffalo Narrows (C)

Canora
Carlyle
Carrot River
Creighton

Davidson

Esterhazy
Estevan
Eston

Foam Lake
Fort Qu'Appelle

Gravelbourg
Gull Lake

Hafford (C)
Hudson Bay
Humboldt

Indian Head
Ituna

Kamsack
Kelvington
Kerrobert
Kindersley
Kipling

La Loche (C)
Langenburg
Lanigan
La Ronge
Leader
Lloydminster

Maple Creek
Meadow Lake (C)
Melfort
Melville
Moose Jaw
- 100 Fairford St. and 2nd Ave. N.W.
- 510 4th Ave. N.W.

Moosomin

Nipawin
North Battleford

Outlook

Ponteix
Preeceville
Prince Albert
- 554 17th St. W.
- South Hill Shoppers Mall

Radville (C)
Raymore (C)
Regina
- Park St. and 10th Ave.
- 10th Ave. Licensee Store (L)
- Broadway Ave.
- Normanview Shopping Centre
- 12th Ave. and Broad St.
- 416 Albert St. N.
- 2626 28th Ave.
- 1165 Pasqua St.
- University Park Shopping Centre

Rosetown
Rosthern

St. Walburg
Saskatoon
- 401 20th St. W. (C)
- 2325 Preston Ave.
- Westgate Plaza
- 124 3rd Ave. N.
- Idylwyld North
- Sutherland
- Grosvenor Park
- Lawson Heights
- Licensee Store — 1st Ave. (L)

Shaunavon
Shellbrook
Stoughton (C)
Swift Current

Tisdale

Unity

Wadena
Wakaw
Waskesiu
Watrous
Weyburn
Wilkie
Wynyard

Yorkton

C — Conventional Store
L — Licensee Only

Number of Stores

Self-Serve	75
Conventional	8
Licensee Only	2
Total	85

Special Liquor Vendor Outlets as at March 31, 1985

Abbey
Admiral
Allan
Alsask
Alvena
Arborfield
Arcola
Avonlea

Balcarres
Balgonie
Beechy
Bengough
Big River
Birch Hills
Bjorkdale
Blaine Lake
Bruno
Buchanan
Burstall

Cabri
Candle Lake
Carnduff
Central Butte
Ceylon
Chaplin
Choiceland
Churchbridge
Climax
Cochin
Coleville
Colonsay
Consul
Coronach
Craik
Crane Valley
Cudworth
Cupar
Cut Knife

Debden
Delisle
Dinsmore
Dodsland
Domremy
Dorintosh
Duck Lake

Eastend
Eatonia
Elbow
Elrose
Emma Lake

Fillmore
Fox Valley

Gainsborough
Glaslyn
Glenavon
Golden Prairie
Goodeve
Goodsoil
Govan
Grayson
Grenfell

Hanley
Harris
Hodgeville
Holdfast

Imperial
Invermay

Kelliher
Kenaston
Kenosee Lake
Kinistino
Kinley
Kyle

Lafleche
Lake Lenore
Lampman
Landis
Langham
Lashburn
Leask
Lemberg
Leoville
Leroy
Loon Lake
Lucky Lake
Lumsden
Luseland

Macklin
MacNutt
Maidstone
Mankota
Marsden
Maryfield
Mayfair
Midale
Middle Lake
Milestone
Minton
Mistatim
Montmarte
Moose Jaw C.F.B.
Morse
Mossbank

Naicam
Neudorf
Nokomis
Norquay

Ogema
Oxbow

Paddockwood
Pelly
Pense
Pierceland
Porcupine Plain

Quill Lake

Rabbit Lake
Radisson
Redvers
Regina Beach
Rhein
Riverhurst
Rocanville
Rockglen
Rose Valley
Rouleau

St. Brieux
Saltcoats
Sedley
Shell Lake
Simpson
Southey
Spiritwood
Spy Hill
Star City
Stockholm
Strasbourg
Sturgis

Theodore
Togo
Torquay
Tramping Lake
Turtleford

Uranium City

Val Marie
Vanguard
Vibank
Viscount
Vonda

Wapella
Wawota
Weirdale
Whitewood
Willow Bunch
Wishart
Wolseley
Wroxton

Yellow Creek
Young

Total Number of S.V. = 158

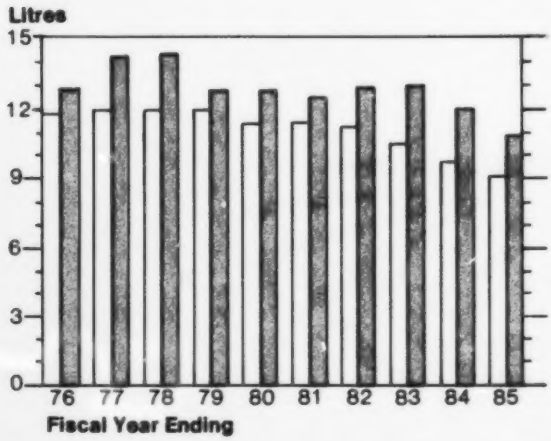
Volume of Sales — 5 Year History

Volume of Sales — (000's of Litres)

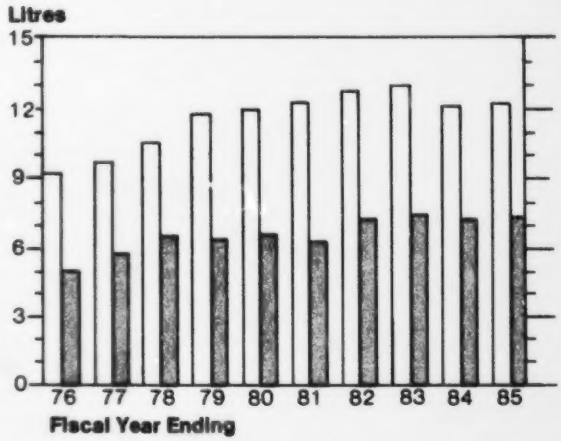
Fiscal Year	1980-81	1981-82	1982-83	1983-84	1984-85
Spirits					
Canadian	7,487	7,713	7,878	7,420	6,874
Imported	809	954	1,009	962	937
	8,296	8,667	8,887	8,382	7,811
Wines & Ciders					
Canadian	2,809	3,238	3,290	3,170	3,181
Imported	1,342	1,658	1,838	1,901	2,051
	4,151	4,896	5,128	5,071	5,232
Beer, Ale and Stout					
Canadian	71,424	64,892	64,948	66,172	68,065
Imported	186	214	258	264	267
	71,610	65,106	65,206	66,436	68,332
Total					
Canadian	81,720	75,843	76,116	76,762	78,120
Imported	2,337	2,826	3,105	3,127	3,255
Total	84,057	78,669	79,221	79,889	81,375

Adult Per Capita Sales

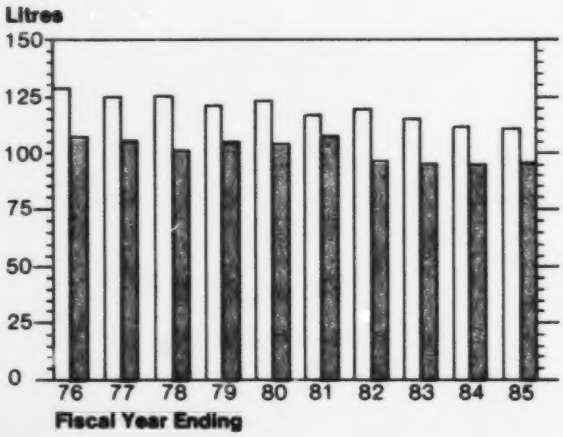
Spirits



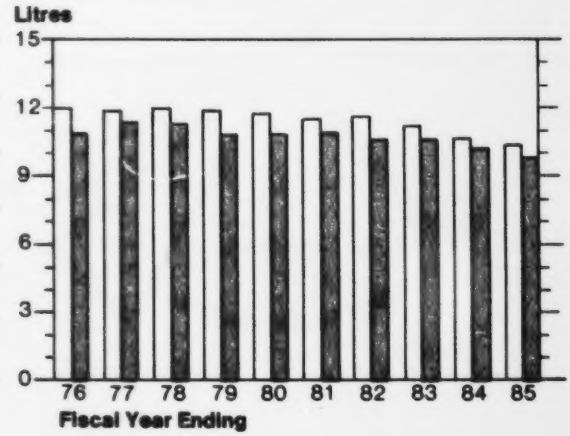
Wine



Beer



Absolute Alcohol

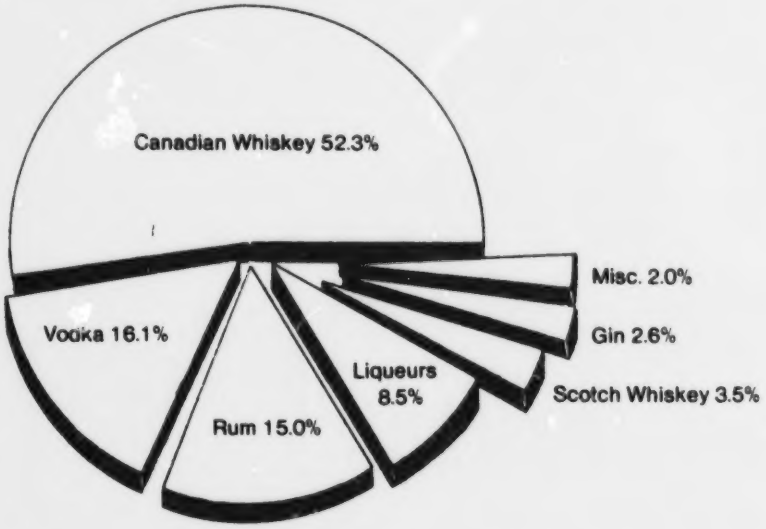


Notes:

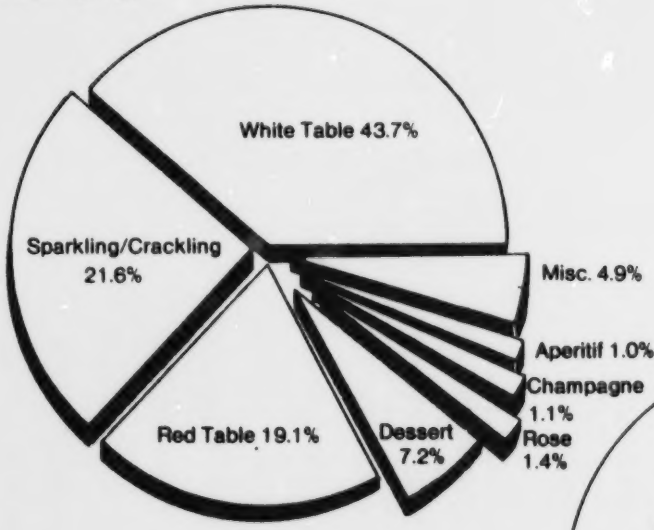
- These are sales, not consumption figures.
- Various strikes/lockouts in Liquor Boards and Alcohol Beverage producers will have had some affect on the above sale statistics.
- Adult is defined to be 18 years and over.
- The following factors were used to convert to absolute alcohol: Spirits 39%, Wine 10% and Beer 5%.

Volume of Sales

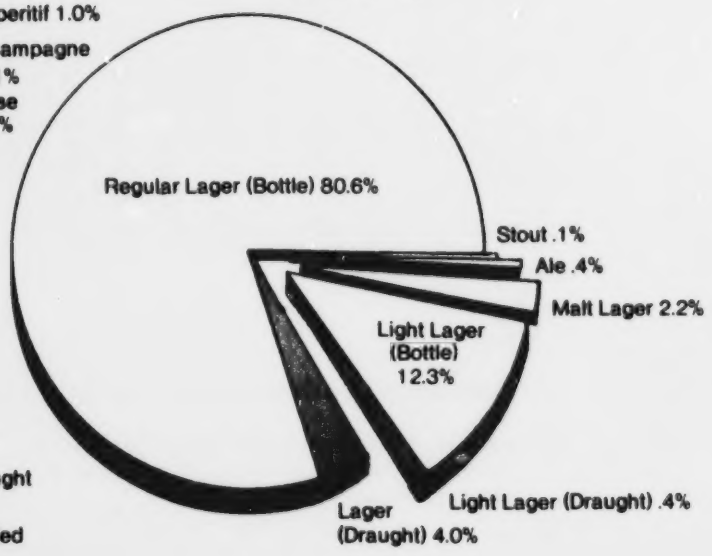
Spirits by Type



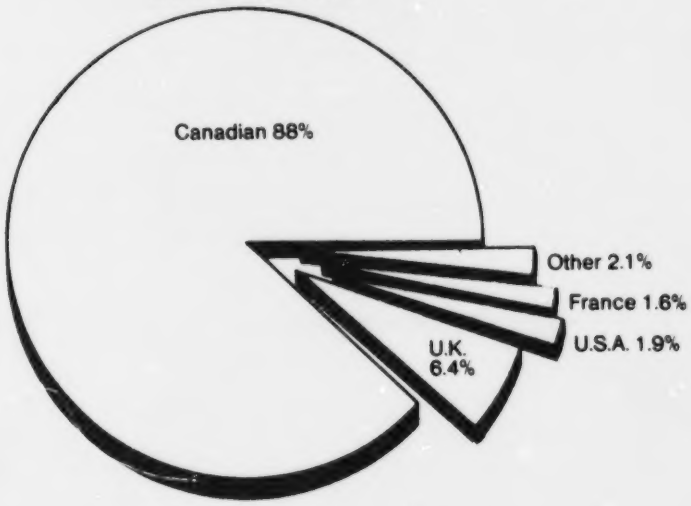
Wine by Type



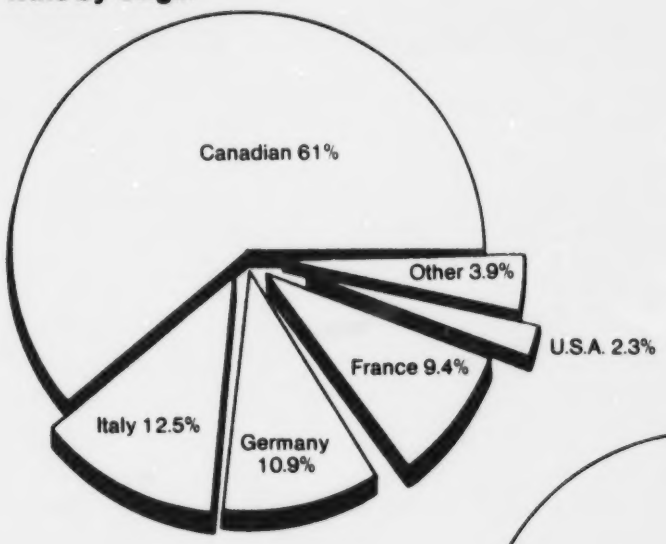
Beer by Type



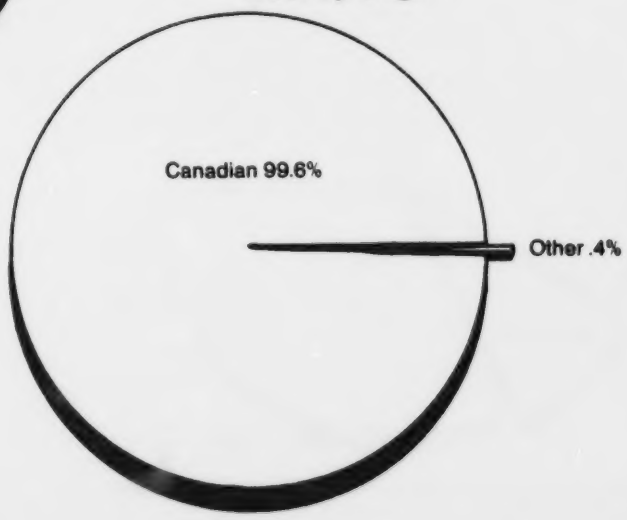
Spirits by Origin



Wine by Origin



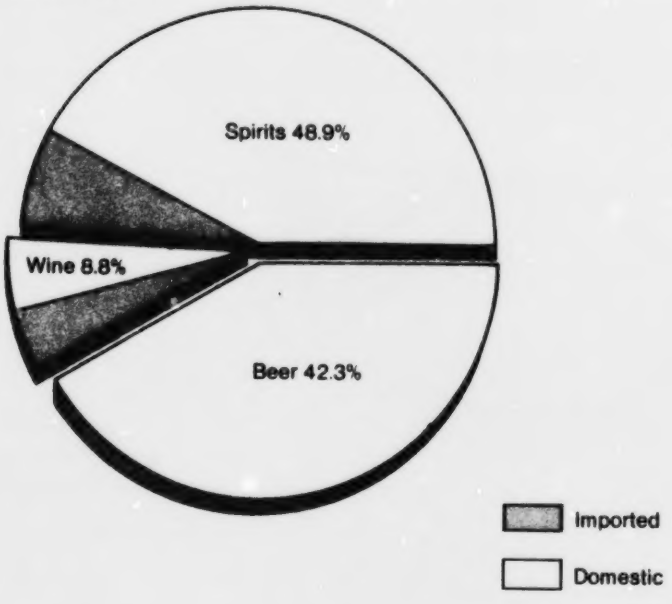
Beer by Origin



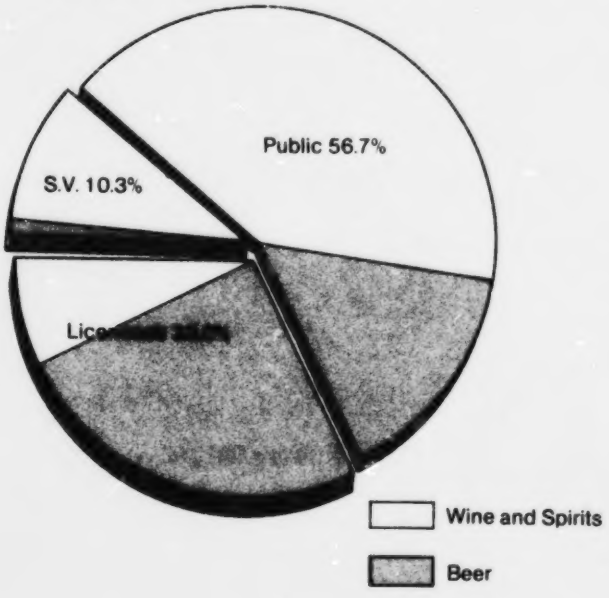
Revenue/Gross Profit from the Sale of Liquor

Revenue

By Type of Beverage

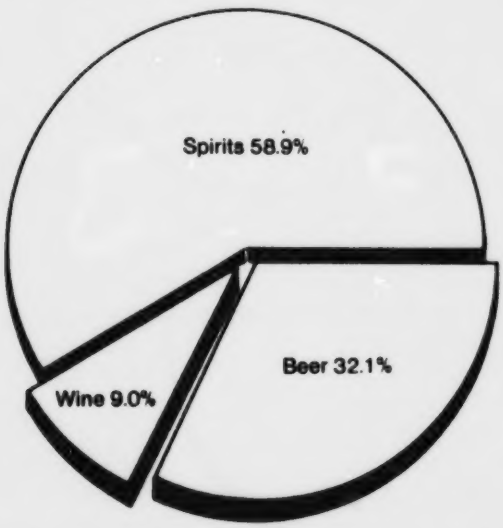


By Type of Customer

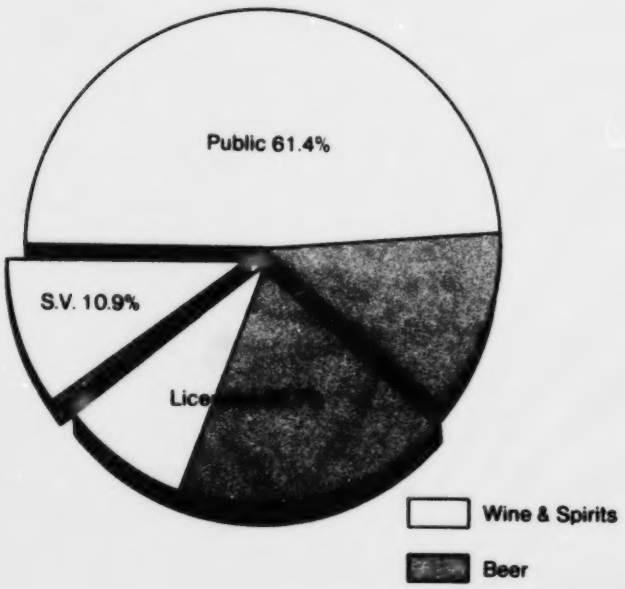


Gross Profit

By Type of Beverage

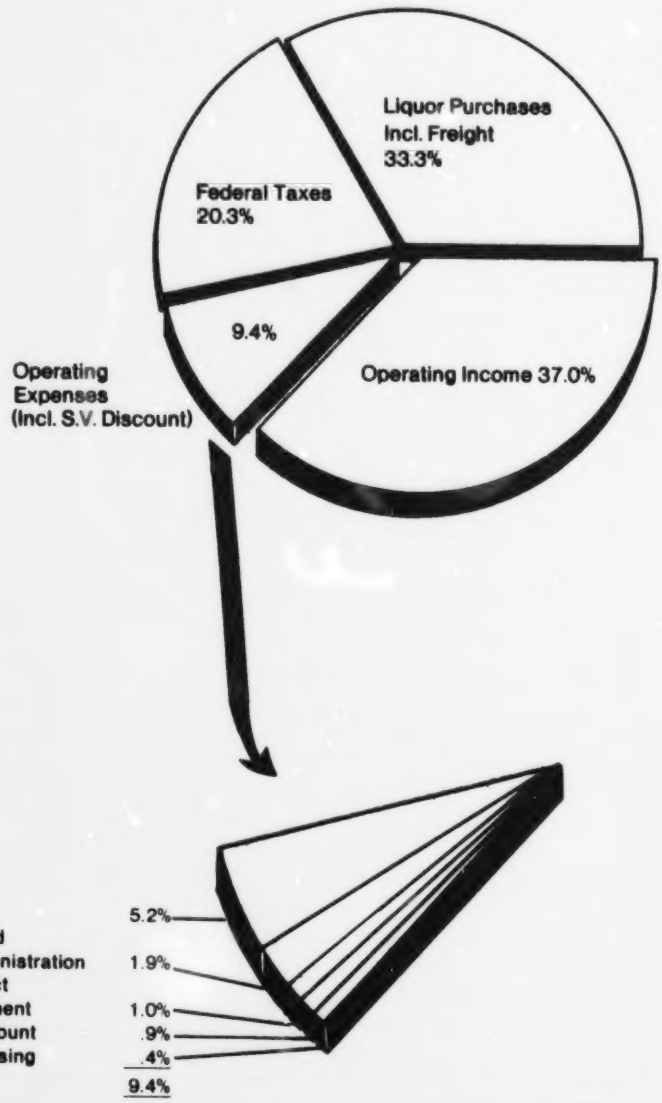


By Type of Customer



Note: Liquor Board Sales to Special Vendor would in turn be sold to the public and licensees.

Application of Revenue



Schedule of Sales by Liquor Stores, for the year ended March 31, 1985

Location	Number	Wine & Spirits	Beer	Total
Assiniboia	519	$ 1,078,325	$ 304,957	$ 1,383,282
Battleford	522	921,100	328,566	1,249,666
Biggar	525	666,685	207,863	874,548
Broadview	586	327,907	157,764	485,671
Buffalo Narrows	606	367,377	427,491	794,868
Canora	536	1,004,946	201,112	1,206,058
Carlyle	554	767,596	246,962	1,014,558
Carrot River	601	407,358	201,846	609,204
Creighton	542	949,591	140,653	1,090,244
Davidson	555	462,658	166,017	628,675
Esterhazy	556	855,053	315,056	1,170,109
Estevan	520	2,147,261	594,262	2,741,523
Eston	602	367,566	89,651	457,217
Fort Qu'Appelle	553	1,167,794	378,629	1,546,423
Foam Lake	597	589,136	148,801	737,937
Gravelbourg	518	523,319	171,216	694,535
Gull Lake	516	465,176	114,386	579,562
Hafford	595	247,343	66,950	314,293
Hudson Bay	545	703,896	227,365	931,261
Humboldt	515	1,524,629	597,187	2,121,816
Indian Head	543	501,352	202,537	703,889
Ituna	531	448,808	99,455	548,263
Kamsack	512	906,075	214,520	1,120,595
Kelvington	541	512,249	124,010	636,259
Kerrobert	537	423,887	139,897	563,784
Kindersley	523	1,727,954	480,138	2,208,092
Kipling	528	454,000	134,039	588,039
Langenburg	563	333,350	140,796	474,146
Lanigan	564	523,571	169,034	692,605
La Loche	567	209,021	471,026	680,047
La Ronge	588	1,513,484	435,527	1,949,011
Leader	551	399,729	123,701	523,430
Lloydminster	548	580,177	106,335	686,512
Maple Creek	521	759,371	259,501	1,018,872
Meadow Lake	532	1,278,539	583,637	1,862,176
Melville	514	1,336,003	340,772	1,676,775
Melfort	524	1,476,419	423,641	1,900,060
Moose Jaw:				
510 4th Ave. S.W.	562	1,372,720	524,103	1,896,823
100 Fairford St. W.	506	4,704,264	1,390,520	6,094,784
Moosomin	547	802,352	269,708	1,072,060
North Battleford	509	3,085,521	880,939	3,966,460
Nipawin	534	1,590,050	478,892	2,068,942
Outlook	576	506,313	202,667	708,980
Ponteix	579	378,280	103,137	481,417
Preeceville	605	651,866	147,217	799,083

Schedule of Sales by Liquor Stores, for the year ended March 31, 1985 — continued

Location	Number	Wines & Spirits	Beer	Total
Prince Albert:				
South Hill Shopper's Mall	546	$4,183,590	$1,668,914	$5,852,504
554 17th St. W.	507	3,354,467	887,618	4,242,085
Radville	529	289,406	96,212	385,618
Raymore	568	493,331	124,381	617,712
Regina:				
1702 Park Street	569	3,723,848	1,740,321	5,464,169
Park St. & 10th Ave. E	500	6,774,034	—	6,774,034
Normanview Shopping Centre	502	2,504,877	1,087,790	3,592,667
1881 Broad Street	526	3,871,398	1,281,346	5,152,744
1165 Pasqua Street	560	2,849,380	1,443,152	4,292,532
Broadway Shopping Centre	501	2,938,905	925,060	3,863,965
North Albert Street	550	6,473,048	3,111,179	9,584,227
South Albert Street	557	7,504,285	2,017,654	9,521,939
188 University Park Dr.	575	91,816	28,886	120,702
Rosetown	544	975,377	281,111	1,256,488
Rosthern	513	448,969	181,934	630,903
Saskatoon				
Sutherland	572	1,422,441	913,855	2,336,296
401 20th St. W.	503	1,495,330	729,081	2,224,411
1935 1st Ave. N.	504	6,139,485	—	6,139,485
Churchill Shopping Centre	505	80,094	33,190	113,284
134 Primrose Dr.	570	372,408	141,134	513,542
Westgate Plaza	561	6,476,557	3,187,214	9,663,771
1715 Idylwyld N.	566	4,171,551	1,668,370	5,839,921
Grosvenor Park	573	4,025,056	1,282,605	5,307,661
124 3rd Ave. N.	565	4,987,631	1,057,965	6,045,596
2325 Preston Ave.	559	6,410,199	2,358,196	8,768,395
Shaunavon	517	706,117	194,257	900,374
Shellbrook	600	462,998	213,972	676,970
Stoughton	604	275,843	68,110	343,953
St. Walburg	539	336,290	129,316	465,606
Swift Current	510	2,962,182	1,182,245	4,144,427
Tisdale	538	1,011,011	331,122	1,342,133
Unity	599	677,858	218,002	895,860
Uranium City	552	137,069	46,862	183,931
Wadena	558	777,959	182,759	960,718
Wakaw	540	373,751	178,266	552,017
Waskesiu (Summer Only)	533	308,289	156,042	464,331
Watrous	530	610,307	199,349	809,656
Watson	549	457,782	174,697	632,479
Weyburn	511	2,190,819	695,386	2,886,205
Wilkie	527	434,410	164,617	599,027
Wynyard	535	749,937	199,465	949,402
Yorkton	508	3,937,276	957,151	4,894,427
Total		140,487,452	45,071,269	185,558,721
Less: Drug Discounts		685		685
		$140,486,767	$45,071,269	$185,558,036

Schedule of Wines and Spirits Purchased

(Including Certain Malt Liquors) for the Year Ended March 31, 1985

Purchased from	Address		
AB Vin & Spritcentralen	Stockholm, Sweden	$	1,802
Abad, Tomas S.A.	Jerez, Spain		3,521
Achaia-Clauss Wine Company Limited	Patras, Greece		5,257
Age Bodgeas Unidas, S.A.	Fuemayer, Spain		2,210
Agros, Exporters	Warsaw, Poland		50,880
Ainhauser Busch	Fairfield, California		954
Alberta Distillers Limited	Vancouver, British Columbia		1,165,108
Alko AB	Helsinki, Finland		17,675
Almaden Vineyards Inc.	San Jose, California		22,230
Andres Wines (Alberta) Limited	Calgary, Alberta		758,885
Andres Wines Limited	Winona, Ontario		13,103
Angostura International Limited	Toronto, Ontario		(1,017)
Armagnac, Sempe	Paris, France		3,471
Asbach & Company	Ruedesheim, West Germany		5,505
Associated Importers Inc.	Detroit, Michigan		625,244
Bach, Masia S.A.	Barcelona, Spain		1,051
Baker, Jack, Distillers Ltd.	Toronto, Ontario		1,412
Bailey, R & A & Co. Ltd.	Dublin, Ireland		553,128
Ballantine, George & Son Ltd.	Dumbarton, Scotland		141,415
Balthasar Ress K.G.	Hattenheim/Rheingau, West Germany		10,573
Barnes Wines Limited	St. Catherines, Ontario		124,042
Baron De Hoen S.A.R.L.	Haut Rhin, France		4,742
Barossa Co-operative Winery	Nuriootpa, South Australia		776
Barbero BWS	Lugano, Switzerland		36,889
Barre, Ets. Freres	Clisson, France		2,524
Barriere, A & R Freres	Bordeaux, France		5,131
Barton & Guestier	Bordeaux, France		31,724
Bass Export Limited	Glasgow, Scotland		11,840
Beam, James Distilling Company	Chicago, Illinois		17,449
Beauchant-Duroc, Louis	France		2,852
Begg, John Limited	Glasgow, Scotland		7,163
Bell, Arthur & Sons Limited	Perth, Scotland		10,012
Benedictine	Paris, France		21,944
Bergerie, La	Pauillac, France		109,246
Better Brands Ltd. A/S	Slangerup, Denmark		270
Berry Bros. & Rudd Limited	London, England		26,890
Bersano, Antico Podere	Asti, Italy		697
Black Tower	Bingen/Rhein, West Germany		116,751
Bodegas Montelorca, S.A.	Logrono, Spain		2,179
Bodegas Rioja Santyago, S.A.	Rioja, Spain		13,782
Bodegas Velazques, S.A.	Rioja, Spain		4,103
Bols Nederland B.V.	Amsterdam, Holland		31,948
Borie-Manoux	Bordeaux, France		11,447
Boscaini Paolo & Figli S.P.A.	Verona, Italy		3,865
Bouchard Aine & Fils	Cedex, France		116,844
Bouchard, Paul & Cie	Cote-D'or, France		11,307
Boutari, John & Son S.A.	Greece		3,154
Bright, T.G. & Company Limited	Niagara Falls, Ontario		331,745
Brown-Forman International Limited	Louisville, Kentucky		27,825
Bulmer, H.P. Limited	Hereford, England		2,081
Burrough, James Limited	London, England		56,111
Bushmills Distillery, The Old	Northern Ireland		12,419
Buton, Gio & C.S.P.A.	Bologna, Italy		474
Calona Wines Limited	Kelowna, British Columbia		2,111,658

Schedule of Wines and Spirits Purchased — Continued

(Including Certain Malt Liquors) for the Year Ended March 31, 1985

Purchased from	Address		
Calvet, J. & Cie	Cedex, France	$	18,319
Cantinia S. Osvaldo S.P.A.	Italy		157
Cantina Sociale Colli Albani	Roma, Italy		30,416
Cantina Terre Del Barolo	Piemonte, Italy		7,876
Cantine Giorgio Lungarotti, S.P.A.	Perugia, Italy		3,626
Capbern-Gasoueton, M. Philippe	Gironde, France		1,028
Carrillo, M.J., Company Inc.	Laredo, Texas		124
Carolan, T.J. & Son Ltd.	Tipperary, Ireland		57,908
Casa Dos Vinhos Da Madeira LDA	Madeira, Portugal		613
Casa Vinicola Barbi S.P.A.	Brescia, Italy		1,267
Casa Vinicola Barone Ricasoli	Firenze, Italy		7,777
Casa Vinicola Fazi Battaglia	Roma, Italy		475
Casa Vinicola Fazi Battaglia	Rome, Italy		990
Casa Vinicola L. Angelo Bardi	Certaldo, Italy		9,389
Casabello Wines Limited	Penticton, British Columbia		140,924
Catto, James & Company Limited	London, England		45,729
Caves Alianca Vinicola	Codex, Portugal		7,245
Caves De Wissembourg, S.A.R.L.	Wissembourg, France		2,172
Caves St. Pierre	Chateauneuf-Du-Pape, France		15,690
Ca. Giovanni Battista Bertani S.P.A.	Verona, Italy		1,373
Chapoutier, M.S.A.	France		3,498
Charal Winery & Vineyards	Blenheim, Ontario		1,739
Chartreuse Diffusion	Cedex, France		2,561
Chateau Des Charmes Wines Ltd.	St. David's Ontario		2,679
Chateau De La Gardine	Vaucluse, France		13,147
Chateau-Gai Wines	Calgary, Alberta		185,097
Chateau-Gai Wines Limited	Niagara Falls, Ontario		104,762
Chauvenet, F.	Cote D'Or, France		11,135
Chianti Melini S.P.A.	Sienna, Italy		4,015
Chiarli — 1860 (S.R.L. Pr. I.V.I.	Modena, Italy		35,800
Chivas Brothers Limited	Paisley, Scotland		65,913
Cierrevi, S.R.I.	Forli, Italy		21,524
Cinzano, Francesco & C.I.A.	Turin, Italy		12,463
Clusserath, Math. Jos	Mehring/Mosel, Germany		10,304
Cockburn Smithes & Co. Ltd.	London, England		535
Codorniu, S.A.	Barcelona, Spain		5,397
Cognac Gautier	Charente, France		824
Cognac Otard S.A.	Cedex, France		6,916
Cointreau	Cedex, Spain		38,771
Colio Wines of Canada Limited	Harrow, Ontario		1,807
Consorzio Produttori Vini Di Velletri	Italy		18,997
Co-operative Winegrowers Assoc. of South Africa	Cape Province, South Africa		43,149
Corbans Exports International	Auckland, New Zealand		595
Corby Distilleries Limited	Corbyville, Ontario		3,330,715
Courvoisier International	Jarnac, France		55,180
Crabbie, John & Company Ltd.	Edinburgh, Scotland		535
Cruse & Fils Freres	Cedex, France		23,316
Cusenier	Cedex, France		1,226
Cuvillo & CIA	Puerto de Santa Maria, Spain		4,948
Danisco	Glostrup, Denmark		1,934
Dawson, Peter Ltd.	Glasgow, Scotland		19,674
Deinhard & Company, K.G.A.A.	Koblenz, West Germany		35,621
De Muller S.A.	Tarragona, Spain		6,320
De Navilly, F.	Cedex, France		7,975

Schedule of Wines and Spirits Purchased — Continued

(Including Certain Malt Liquors) for the Year Ended March 31, 1985

Purchased from	Address		
De Neuville	Cedex, France	$	27,318
De Kuyper, John & Son	Montreal, Quebec		15,107
Dewar, John & Sons Limited	Perth, Scotland		15,517
Diego, Rallo & Figli	Marsala, Italy		2,329
Distillerie Stock S.P.A.	Italy		4,894
Distillers Corp.	Montreal, Quebec		(456)
Domaine Le De Saint-Jean De	Peze Nas, France		216
Doornkaat	Norden, West Germany		1,949
Dopff	France		3,127
Dortmunder Union Schultheiss-Brauerei, AG	West Germany		10,935
Drambuie Liqueur Co. Ltd., The	Edinburgh, Scotland		175,572
Drathen, Ewald Theod. K.G.	West Germany		9,468
Drouhin, Joseph	Beaune, France		16,077
Dufouleur Freres	Burgundy, France		6,553
Dujardin & Company	Rhine, West Germany		1,687
Dumons, G.M.	Cedex, France		528
Dupuy, O. & Company	Cognac Charente, France		5,948
Emmet, R. & J. and Company Ltd.	Dublin, Ireland		23,997
EMU Wine Company	Mile End, South Australia		10,039
Enoteca Internazionale De Rham	Firenze, Italy		374
Eschenauer, Louis	Cedex, France		42,218
Establissements Fourcroy S.A.	Bruxelles, Belgium		5,655
Export Union	West Germany		3,403
F.B.M. Distillery Co. Ltd.	Brampton, Ontario		1,006,385
Findlater, Mackie, Todd & Co.	London, England		3,348
Fisher, Donald Limited	Edinburgh, Scotland		2,592
Florio & C. S.A.V.I.	Turin, Italy		3,625
Folonari S.P.A.L.	Verona, Italy		22,014
Fontanafredda	Torino, Italy		8,774
Frankhof-Kellerei GmBH	West Germany		8,361
Franciscan Vineyards	Rutherford, California		511
Frescobaldi, Marchesi, De	Florence, Italy		32,117
Freixenet, S.A.	Barcelona, Spain		14,486
Fritz Nordhaus & Co.	West Germany		382
Fromm and Sichel Inc.	Santa Rosa, California		4,115
Galliano International	New York, New York		29,125
Gallo, E. & J. Winery	Modesta, California		58,908
Gambina S.P.A.	Torino, Italy		4,760
Gancia, F.LLI & C. Savas Ind. SPA	Torino, Italy		16,848
Gaston De Lagrange S.A.	Saint Ouen, France		2,288
Gibson Canada Inc.	Montreal, Quebec		315,676
Gilbey Canada Inc.	Toronto, Ontario		2,500,899
Gilbey De Loudenne S.A.	Lesparre, France		22,145
Giraud, Robert S.A.	Girande, France		16,355
Girolamo Luxardo, S.P.A.	Italy		2,765
Glayva International Ltd.	Scotland		23,519
Glenlivet Whiskey Co. Ltd., The	Edinburgh, Scotland		10,511
Gonzalez Byass S.A.	Spain		4,423
Gordon, Duff & Company S.A.	Cadiz, Spain		554
Grant, William & Sons Limited	Glasgow, Scotland		24,800
Gray Monk Cellars	Okanagan, B.C.		2,260
Great West Distillers Ltd.	Vancouver, B.C.		6,191
Guntrum, Louis Weinkellerei	West Germany		97,879
Gurtler, Karl E. & Co. Ges. M.B.H.	Austria		4,008

Schedule of Wines and Spirits Purchased — Continued

(Including Certain Malt Liquors) for the Year Ended March 31, 1985

Purchased from	Address		
Haida Trading Inc.	Vancouver, B.C.	$	281
Haig, John & Company Limited	Markinch, Scotland		31,574
Hakutsuru Sake Brewing Co. Limited	Japan		5,782
Hanschell Innis Ltd.	St. John's, Newfoundland		6,855
Hardy, Thomas & Sons Pty. Ltd.	Mile End, South Australia		5,540
Harvey, John & Sons Limited	Bristol, England		60,092
Hechler-Erben	West Germany		434
Heidsieck Henroit, Charles S.A.	Cedex, France		25,922
Heileman, G. Brewing Co. Inc.	La Crosse, Wisconsin		18,075
Heineken Brouwerijen B.V.	Rotterdam, Holland		109,494
Henkell & Company	Weisbaden, West Germany		57,024
Hennessy, James & Company	Cognac, France		30,979
Heublein International Sales Corp.	New York, New York		181
Hill Thomson & Company Ltd.	Edinburgh, Scotland		19,000
Hill, William & Company	Napa, California		6,752
Hudson's Bay Edinburgh Ltd.	Edinburgh, Scotland		9,782
Hudson's Bay Distillers Ltd.	Toronto, Ontario		119,948
Imperial Wines & Spirits Ltd.	Richmond, B.C.		5,519
Imported Beer Company, The	Mississauga, Ontario		2,815
I.L.L.V.A. Saronno S.P.A.	Saronno, Italy		49,020
Inniskillin Wines Inc.	Niagara Falls, Ontario		13,867
International Dist. of Israel Ltd.	Triaviv, Israel		683
Inver House Distillers Ltd.	Lanarkshire, Scotland		9,013
Irish Distillers International	Dublin, Ireland		39,949
Irish Mist Liqueur Co. Ltd., The	Tullamore, Ireland		24,200
Jaboulet Aine, Paul	France		902
Jacobsen, J.J. Co. Ltd. A/S	Odense, Denmark		8,104
Jaffelin, Maison	Cedex, France		5,110
Johnston, Nath'l & Fils	Bordeaux, France		4,713
Jordan & Ste. Michelle Cellars	St. Catharines, Ontario		1,049,520
Jungkenn, Ernst Weingut	Oppenheim/Rhein, Germany		8,684
Justerini & Brooks Limited	London, England		77,694
Keller-Geister-Kellerei Hannese & Co. KG	West Germany		1,871
Kellereien F.W. Langguth Eren GmBH & Co. K.G.	West Germany		18,558
Kelleramt Chorherrenstift	Austria		2,101
Kendermann, Hermann G.M.B.H.	West Germany		25,972
Kloster Kellerei Bingen G.M.B.H.	West Germany		4,589
Kressman, Ed & Company	Cedex, France		123,429
Krombacher Privatbraueret	Krombach, West Germany		4,220
Kronenbourg, Brasseries	Cedex France		19,464
Kylix International Limited	Devon, England		25,270
Labatt Breweries of Canada Ltd.	London, Ontario		10,401
Labatt's Breweries of British Columbia	New Westminster, British Columbia		572
Labatt's Ontario Breweries	Weston, Ontario		4,643
Laine, Jules & Company	Cognac, France		6,747
Laing, Douglas & Co. Ltd.	Glasgow, Scotland		2,911
Lamberti S.P.A.	Italy		150,222
Langenbach & Co. G.M.B.H.	West Germany		26,965
Laugel, Michael	Marlenheim, France		2,745
Lauder, Archibald & Co.	Dumbarton, Scotland		24,850
Lichine, Alexis & Company	Bordeaux, France		21,054
Lindemans Wines Pty. Limited	Lidcombe, Australia		46,375
London Winery Limited	London, Ontario		43,239
Lorch Weinkellerei, Weingut	Weinstrasse, Germany		11,782

Schedule of Wines and Spirits Purchased — Continued

(Including Certain Malt Liquors) for the Year Ended March 31, 1985

Purchased from	Address		
Lupe — Cholet	Beaune, France	$	183
MacDonald & Muir Ltd.	Edinburgh, Scotland		1,451
MacNish, Robert & Co. Ltd.	Dumbarton, Scotland		54,946
Mahler-Besse S.A.	Bordeaux, France		7,588
Maison Albert Bichot	Cedex, France		6,776
Maison Bouchard Pere & Fils	Cedex, France		4,917
Maison Secrestat Limitee, La	Dorval, Quebec		224
Maison Louis Latour	Cedex, France		2,437
Maison Prunier	Cognac, France		2,664
Maison, Sichel	Cedex, France		24,934
Maison Tarride Ledroit & Cie	Bordeaux, France		47,640
Mara, William, Company	Belleville, Ontario		27,461
Marchesi L.EP. Antinori	Florence, Italy		11,490
Marmot Kellerei	Switzerland		723
Marnier-Lapostolle	Paris, France		404,646
Margherita, S. S.P.A.	Venice, Italy		4,517
Martini, Louis M. Winery	St. Helena, California		1,057
Martini & Rossi, I.V.L.A.S.	Torino, Italy		97,039
Masson, Paul Vineyards	New York, New York		37,974
Mau, Yvon & Fils	France		5,964
McCallum, D. & J. Limited	Edinburgh, Scotland		32,753
McGuinness Distillers Limited	Toronto, Ontario		2,617,458
McPherson, John E. & Sons Ltd.	Edinburgh, Scotland		7,154
Meagher's Distillery Ltd.	Montreal, Quebec		1,098,817
Melchers Inc.	Montreal, Quebec		324,731
Metaxa, S. & E. & A. Distilleries S.A.	Athens, Greece		2,553
Meyer, Peter Winery G.M.B.H.	West Germany		5,382
Mildara Wines Limited	Mildura, Australia		2,980
Mirassou Sales Co.	San Jose, California		940
Mission Hill Vineyards, Inc.	Westbank, British Columbia		34,306
Moet & Chandon	Epernay, France		109,522
Molson Brewery B.C. Ltd.	Vancouver, British Columbia		31,051
Mommessin, S.A.	Cedex, France		17,940
Monarch Wine Co. Inc.	Brooklyn, New York		21,458
Mondavi, Robert Winery	Oakville, California		1,744
Monimpex	Budapest, Hungary		31,629
Morandell, Alois & Sohn	Tirol, Austria		8,292
Mo. Rhe. Na GMBH	West Germany		2,484
Moreau, J. et Fils	Chablis, France		11,143
Morrison Distillers Ltd.	Guelph, Ontario		2,957
Moser, Lenz GmBH	Krems, Austria		56,753
Mount Gay Distillers Limited	Barbados, West Indies		6,645
Mousset, Louis S.A.	France		216
Mumm, G.H. & Cie	Cedex, France		87,247
National Distillers Products Co.	Pittsburgh, Pennsylvania		3,413
Navip. Wine & Spirit Exporters	Zemun, Yugoslavia		922
Establissements Noilly Prat	Cedex, France		11,802
Nordhaus GMBH	West Germany		3,812
O.N.C.V.	Algiers, Algeria		8,937
O'Darby, J.J. Limited	Douglas Cork, Ireland		54,350
Okanagan Cider Co. Ltd., The	Westbank, British Columbia		77,386
Okura Shuzo Co. Ltd.	Kyoto, Japan		3,720
Palliser Distillers Limited	Toronto, Ontario		79,899
Park & Tilford Canada Inc.	Montreal, Quebec		120,784

Schedule of Wines and Spirits Purchased — Continued

(Including Certain Malt Liquors) for the Year Ended March 31, 1985

Purchased from	Address		
Pasquier-Desvignes, S.A.	France	$	634
Penfolds Wines Pty. Limited	Magill, South Australia		7,197
Piat Pere & Fils	France		142,512
Pieroth, Ferdinand Weingut-Weinkellerei	West Germany		26,983
Pio Cesare S.A.S.	Albo, Italy		1,220
Potter Distilleries Ltd.	Langley, British Columbia		130,240
Poulet Pere & Fils	Beaune, France		809
Premiovini S.P.A.	Brescia, Italy		2,593
Racke, A.	West Germany		54,868
Raymond, Edmond	Bordeaux, France		1,255
Reh, Franz & Sohn G.M.B.H. K.G.	Germany		12,039
E. Remy Martin & Co. S.A.	Cedex, France		47,555
Remy — Pannier	Cedex, France		8,403
Rheinberg Kellerei G.M.B.H.	Germany		98,095
Rieder Distillery Ltd.	Grimsby, Ontario		6,930
Riemerschmid, Anton	Munchen, West Germany		16,743
Rivera, Azienda Vinicola S.P.A.	Andria, Italy		4,876
Rodet, Antonia	Mercurey, France		10,115
Rodriguez & Berger, S.A.	Madrid, Spain		348
Roederer, Louis Champagne S.A.	Cedex, France		1,272
Roger, Champagne Pol	Cedex, France		8,460
Ropiteau Freres	Cote D'Or, France		2,056
Rosenhof Weinkellerei G.M.B.H.	West Germany		3,915
Royal Tara Liqueurs Export Ltd.	Cork, Ireland		6,387
Ruffino, I.L.	Brescia, Italy		34,479
The Rum Company (Jamaica) Ltd.	Kingston, Jamaica		52
Rumark Rums Canada Ltd.	Toronto, Ontario		64,399
Salvalai Alessandro & C.S.P.A.	Brescia, Italy		1,557
Sandeman, The House of	Cadiz, Spain		381
Sapin, Paul	Belleville, France		11,177
Schenley Canada Inc.	Montreal, Quebec		1,222,233
Schlink, Gunther, KG	West Germany		428
Schmitt'sches, Gustav Adolf Weingut	West Germany		173,176
Schneider, Michel Nachf	West Germany		19,695
Scholl & Hillebrand	Germany		2,078
Schroder & Schyler & Cie	Cedex, France		20,023
Schulz & Wagner GMBH	West Germany		8,563
Scottish & Newcastle Breweries	Edinburgh, Scotland		9,000
Seagram Company Ltd., The	Gimli, Manitoba		2,507,460
Seagram, Joseph E. & Sons Ltd.	Montreal, Quebec		543,713
Seagram's De Mexico, S.A. DECV	Mexico		11,287
Sebastian Stroh Ges M.B.H.	Austria		69
Sebastiani Vineyards	San Francisco, California		1,471
S.E.M.A.V.	Bordeaux, France		19,467
Seppelt, B. & Sons Limited	Adelaide, South Australia		70,858
Sichel, Sohne, H. G.M.B.H.	Alzey, West Germany		132,368
Sicks' Lethbridge Brewery Ltd.	Lethbridge, Alberta		12,315
Smith, S. & Son Pty. Ltd.	Angoston, South Australia		1,423
Societa Industriale Vinicola	Italy		2,431
Societe Civile Du Chateau Montlabert	Bordeaux, France		757
Societe Co-operative	Israel		2,908
Societe St. Raphael	Paris, France		361
S.E.G.M. Dubonnet International	Paris, France		48,716
Sogrape Sociedade Commercial Dos Vinhos De Mesa De Portugal, S.A.R.L.	Porto, Portugal		111,634

Schedule of Wines and Spirits Purchased — Continued

(Including Certain Malt Liquors) for the Year Ended March 31, 1985

Sohnlein Rheingold KG	Wiesbaden, West Germany	$ 799
V/O "Sojuzplodo Import"	Moscow, U.S.S.R.	53,028
St. Ursula	Bingen, Germany	33,867
Stewart, J. & G. Ltd.	Edinburgh, Scotland	73,729
Subileau, Antoine	Vallet, France	7,914
Sumac Ridge Estate Winery Ltd.	Summerland, British Columbia	2,789
Suntory Limited	Tokyo, Japan	21,813
S.V.I.P.	Vernona, Italy	23,508
Svendborg Vinkompagni A.M.B.A.	Svendborg, Denmark	6,570
Tadman, Michael Agencies	Vancouver, B.C.	331
Tanqueray, Charles & Co. Limited	London, England	20,872
Taylor, Fladgate & Yeatman	Portugal	3,438
Teacher, Wm. & Sons Ltd.	Glasgow, Scotland	90,882
Tequila Cuervo, S.A.	Mexico	33,400
Tequila Orendain S.A. De C.V.	Mexico	2,459
Tequila Sauza S.A. De C.V.	Mexico	59,408
Thorin S.A.	France	5,911
Tia Maria Ltd.	West Sussex, England	175,606
Tieffenbrunner	Italy	4,175
Torres, Miguel	Barcelona, Spain	3,240
Tuborg International	Copenhagen, Denmark	23,738
Turpin Freres & Riout	Bordeaux, France	3,783
Twelve Stone Flagons, Ltd.	Pittsburgh, Pennsylvania	292
Uniacke Wine Ltd.	Okanagan Mission, B.C.	2,471
Union Des Co-operatives	Samos, Greece	527
Union Des Vignerons Des Cotes	Tulette, France	1,105
United Rum Merchants Ltd.	West Sussex, England	296,933
Utomij, B.V.	Schiedam, Holland	602
Valckenberg, P.J.	Worms, West Germany	9,362
Varichon & Clerc Sarl	France	5,411
Vernaux, Noemie	Cedex, France	5,231
Veuve-Clicquot-Ponsardin, S.A.	Cedex, France	3,348
Villa Banfi, S.P.A.	Rome, Italy	214,468
Vin Geloso Inc.	Laval, Quebec	378
Vinimpex	Sofia, Bulgaria	17,228
Walker, Hiram & Sons Limited	Walkerville, Ontario	2,249,947
Walker, Hiram — Scotland	Dumbarton, Scotland	(36)
Walker, John & Sons Limited	London, England	118,576
Warnink, Erven B.V.	Middleharnis, Holland	3,124
Waterloo Agencies Limited	Montreal, Quebec	10,322
Wente Brothers	Livermore, California	210
Williams & Humbert Limited	Cadiz, Spain	2,443
Wine Group, The	Ripon, California	2,556
Wineguild Company Ltd.	France	1,887
Wolfgang Zahn-Weinkellerei	West Germany	13,412
Wray, J & Nephew Ltd.	Lincton, Jamaica	2,618
Zentralkellerei Badischer	West Germany	7,791
Zentralkellerei — Moser Saar	West Germany	466
Zonin S.P.A.	Gambellara, Italy	770
		32,983,525

Schedule of Wines and Spirits Purchased — Concluded

(Including Certain Malt Liquors) for the Year Ended March 31, 1985

Purchased from Other Liquor Boards:

	Purchases	Sales	
Alberta Liquor Control Board	$43,184	$624	42,560
British Columbia Liquor Control Board ..	48,745	—	48,745
Manitoba Liquor Control Commission ...	24,915	59,623	(34,708)
Newfoundland Liquor Corporation	3,434	—	3,434
Nova Scotia Liquor Commission	4,651	—	4,651
Liquor Control Board of Ontario	9,498	2,799	6,699
Quebec Liquor Corporation	253	—	253
			71,634
			$ 33,055,159

Schedule of Beer Purchased for the Year Ended March 31, 1985

(with comparative figures for the previous year)

	1985	1984
Carling O'Keefe Brewery Ltd. Regina, Saskatchewan	$ 19,899,317	$ 25,165,818
Labatt's Saskatchewan Brewery Ltd. Saskatoon, Saskatchewan	26,220,966	13,158,694
Molson Saskatchewan Brewery Ltd. Regina, Saskatchewan	33,032,274	33,021,152
	$ 79,152,557	$ 71,345,644

Five Year Financial Review

($000's)

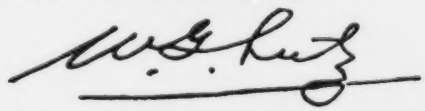
Sales	1980-81	1981-82	1982-83	1983-84	1984-85
Spirits					
Canadian	87,382	100,111	114,107	123,723	122,762
Imported	11,473	15,006	17,540	18,921	19,325
	98,855	115,117	131,647	142,644	142,087
Wines & Ciders					
Canadian	8,854	11,233	12,632	13,178	13,712
Imported	7,357	8,851	10,171	11,186	11,771
	16,211	20,084	22,803	24,364	25,483
Beer, Ale and Stout					
Canadian	72,189	82,484	94,531	109,777	121,960
Imported	475	535	666	754	710
	72,664	83,019	95,197	110,531	122,670
Total					
Canadian	168,425	193,828	221,270	246,678	258,434
Imported	19,305	24,392	28,377	30,861	31,806
Total	187,730	218,220	249,647	277,539	290,240
Operating Income	70,088	78,358	90,144	107,273	108,442
Payment to Minister of Finance	70,000	49,000	110,426	79,000	71,000
Retained Earnings	28,313	61,426	44,249	75,634	116,864

Auditor's Report

To the Members of the Legislative Assembly
Province of Saskatchewan

I have examined the balance sheet of the Saskatchewan Liquor Board as at March 31, 1985 and the statements of income and retained earnings and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these fiancial statements present fairly the financial position of the Board as at March 31, 1985 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.



Regina, Saskatchewan
May 17, 1985.

W. G. Lutz, F.C.A.,
Provincial Auditor.

Statement 1 — Balance Sheet as at March 31

	1985 ($000's)	1984 ($000's)
Assets		
Current		
Cash	$ 3,718	$ 1,318
Short-term investments at cost which approximates market	9,572	7,652
Accounts receivable	121	164
Inventory	11,243	12,169
Prepaid expenses and supplies	301	276
Total Current Assets	24,955	21,579
Due from Consolidated Fund (Note 4)	82,800	46,000
Fixed		
Buildings, sites and equipment (Note 3)	18,755	17,636
	$126,510	$ 85,215
Liabilities and Equity		
Current		
Prepaid orders	$ 146	$ 18
Accounts payable	6,450	6,692
Liquor Consumption Tax payable	1,088	1,598
Total Current Liabilities	7,684	8,308
Pension costs payable (Note 6)	1,962	1,273
Equity		
Retained earnings (Statement 2)	116,864	75,634
	$126,510	$ 85,215

(see accompanying notes)

Statement 2 — Statement of Income and Retained Earnings for the year ended March 31

	1985 ($000's)	1984 ($000's)
Total Sales (Note 7 & 8)	$290,239	$277,539
Cost of Sales (Schedule 1)	156,750	148,024
Gross Profit	133,489	129,515
Operating expenses (Schedule 2)	25,047	22,242
Operating Income	108,442	107,273
Other income (Schedule 3)	3,749	3,052
Gain on sale of buildings, sites, and equipment	39	60
Net Income for the year	112,230	110,385
Retained earnings, beginning of year	75,634	44,249
	187,864	154,634
Payments to Minister of Finance (Note 5)	71,000	79,000
Retained earnings, end of year (Statement 1)	$116,864	$ 75,634

(see accompanying notes)

Statement 3 — Statement of Change in Financial Position for the year ended March 31

	1985 ($000's)	1984 ($000's)
Source of Funds		
From Operations		
Income from operations	$112,230	$110,385
Charges not requiring funds		
— depreciation	841	859
— gain on sale of buildings, sites and equipment	(39)	(60)
— accrued pension costs	689	621
	113,721	111,805
Proceeds on sale of buildings, sites and equipment	57	153
	113,778	111,958
Application of Funds		
Purchase of buildings, sites and equipment	1,978	662
Payments to Minister of Finance	71,000	79,000
Increase in Due from Consolidated Fund	36,800	24,500
	109,778	104,162
Increase in working capital	4,000	7,796
Working capital, beginning of year	13,271	5,475
Working capital, end of year	$17,271	$13,271
Represented by:		
Current assets	24,955	21,579
Current liabilities	7,684	8,308
	$17,271	$13,271

(see accompanying notes)

Notes to Financial Statement March 31, 1985

1. Accounting Policy

(a) Inventory

Inventory which consists of wines, spirits and beer is valued at cost which does not exceed net realizable value.

(b) Buildings, Sites, and Equipment

Buildings, sites and equipment are stated at cost less accumulated depreciation. Depreciation is recorded on a straightline basis at rates designed to amortize the cost of fixed assets over their estimated useful lives. Depreciation rates are as follows:

Buildings — 2½%, 5%
Equipment — 15% - 25%
Leasehold improvements term of lease.

(c) Enforcement Expenses

A Treasury Board Regulation issued pursuant to Section 211 of The Liquor Act authorized the payment by the Liquor Board of certain expenses relative to the enforcement of provisions of The Liquor Act.

As a result the year ended March 31 includes the following expenses:

	1985 ($000's)	1984 ($000's)
Department of Urban Affairs	$1,000	$1,000
Department of Justice	2,010	2,018
	$3,010	$3,018

(d) Pension Plans

Presently, the Board is participating in two pension plans. One is the Public Employees' (Government Contributory) Superannuation Plan. It is a cost based pension plan and all pension costs which are charged to operations are equivalent to the amount provided for funding. The other plan, the Liquor Board Superannuation Plan, is a benefit based plan and accordingly the Board has with the recommendation from its Actuary established the following policies: Current service costs are charged to operations. Past service costs arising from modification of the benefits payable under the plan or adjustments in the pension cost calculations brought about by an actuarial evaluation are charged to operations over the future working period of the present members of the plan, not to exceed 15 years. These charges are based on a level percentage of employees contributions to this plan. Any differences between amounts charged to operations and amounts provided for funding is included as a liability or deferred charge.

2. Authority

The Saskatchewan Liquor Board operates under the authority of The Liquor Act, Chapter L-18, Revised Statutes of Saskatchewan 1978.

3. Buildings, Sites and Equipment

	1985			1984
	Cost ($000's)	Accumulated Depreciation ($000's)	Net Book Value ($000's)	Net Book Value ($000's)
Sites	$ 2,149	—	$ 2,149	$ 2,149
Buildings	16,446	$ 2,461	13,985	14,302
Furniture and equipment	3,668	1,532	2,136	687
Leasehold improvements	1,058	573	485	498
	$23,321	$4,566	$18,755	$17,636

4. Due From Consolidated Fund

This amount represents funds deposited to the credit of the Liquor Board in the Consolidated Fund of the Province within the provisions of Section 209 of The Liquor Act and Section 16 of The Department of Finance Act, 1983 and Treasury Board Regulations. This amount, which is non-interest bearing, may be reduced as decisions are made by Treasury Board concerning the disposition of profits under Section 212 of The Liquor Act.

5. Payments to Minister of Finance

Retained Earnings are paid over to the Minister of Finance for the Consolidated Fund at the direction of the Treasury Board pursuant to Section 212 of The Liquor Act.

6. Pension Plan

The actuarial report on the Liquor Board Superannuation Fund as at December 31, 1981 established an amount of $15,205,245 for past service costs. The adjusted provision for superannuation expense for 1985 is $1,759,098 ($524,258 for current service costs, $1,234,840 for amortizing past service costs). The amount of unamortized past service costs as at March 31, 1985 is $11,680,201. The funding for the plan during 1984/85 was $1,070,213. The cumulative difference between the Board's provision and funding for pension costs gives rise to a $1,962,010 pension cost payable.

7. Beer Sales and Cost of Sales

The beer sales and cost of sales amounts are stated net of bottle deposits. The bottle deposit for 1985 amounted to $20,156,982 (1984 — $19,570,778.)

8. Sales

Total sales are comprised of the following:

	1985 ($000's)	1984 ($000's)
Wines and Spirits		
— in stores	$140,487	$142,472
— to special vendors	27,793	25,290
	168,280	167,762
Beer		
— to licensees	74,802	68,929
— in stores	45,071	39,072
— to special vendors	2,086	1,776
	121,959	109,777
	$290,239	$277,539

9. Related Parties

Included in these financial statements are expenses resulting from routine operating transactions conducted at prevailing market prices with various Saskatchewan crown controlled departments, agencies and corporations with which the Board is related.

Account balances resulting from these transactions are included in the balance sheet and are settled on normal trade terms. Other amounts due to (from) related parties and the terms of settlement are described separately in the Financial Statement and the notes thereto.

Schedule 1 — Cost of Sales for the Year Ended March 31

	1985 ($000's)	1984 ($000's)
Inventory, beginning of year	$ 12,169	$ 12,389
Net Purchases	112,021	104,714
Freight	4,179	3,891
Duty and excise tax	39,624	39,199
	167,993	160,193
Less inventory, end of year	11,243	12,169
	$156,750	$148,024

(see accompanying notes)

Schedule 2 — Operating Expenses for the Year Ended March 31

	1985 ($000's)	1984 ($000's)
Audit fees	$ 50	$ 40
Bank service charges	80	76
Breakages	152	157
Building operation	485	442
Communications	191	173
Customer service programs	257	394
Data processing	521	254
Depreciation on buildings	536	518
Enforcement expense (Note 1(c))	3,010	3,018
Equipment maintenance and depreciation	396	568
Grants in lieu of taxes	695	643
Insurance	84	68
Lease termination	551	—
Pension Costs	1,954	1,750
Rent and Utilities	1,237	1,144
Salaries, wages and fringe benefits	13,692	11,981
Stationery and supplies	555	400
Sundry	385	409
Travel and vehicle	216	207
	$ 25,047	$ 22,242

(see accompanying notes)

Schedule 3 — Other Income for the Year Ended March 31

	1985 ($000's)	1984 ($000's)
Interest	$2,627	$2,069
Permit	616	582
Sundry	506	401
	$3,749	$3,052

(see accompanying notes)